

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
STATESVILLE DIVISION
CASE NO. 5:08-CV-00136-RLV-DSC**

SECURITIES AND EXCHANGE COMMISSION,)	
)	
Plaintiff,)	
)	
v.)	ORDER
)	
BILTMORE FINANCIAL GROUP, INC., and)	
J.V. HUFFMAN JR.,)	
)	
Defendants.)	
)	

THIS MATTER is before the Court on Receiver Pettit’s Motion to Establish Procedure to File and Allow Claims and for Other Relief, filed August 31, 2012. (Doc. 89.) The time to respond has elapsed, and no objections have been filed.

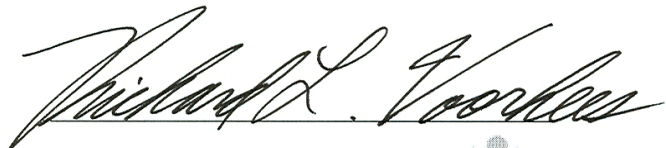
Prior Orders of this Court authorized the Receiver to conduct private sales of real property assets in accordance with specified parameters. (Docs. 60, 77, 88.) Receiver now notes that his duties are nearing completion and proposes to establish a procedure to file and object to claims, and to distribute funds of the estate. Receiver believes nearly all investors have filed or submitted a claim or have notified Receiver of their names and addresses, and has established a website for all “investors” or “claimants,” as defined in the Motion (Doc. 89 at 2), to submit a claim and to provide notice to Receiver of each investor’s or claimant’s name, address, and phone number. (Doc. 89 at 2–3.) In response to Receiver’s requests, **IT IS, THEREFORE, ORDERED**

- (1) that Receiver forward a Notice and Proof of Claim by First Class Mail to each investor or claimant who has either filed a claim on Receiver’s website or of whom

Receiver has knowledge, along with this Order, within three business days from the date on which this Order is filed;

- (2) that the Notice and Proof of Claim forms attached to the Motion (Doc. 89 at 7–11) are hereby **APPROVED**;
- (3) that Receiver publish a Notice with the Hickory Record, a local newspaper in Hickory, North Carolina, for two successive weeks to provide additional notice to potential investors or claimants to file a claim;
- (4) that each investor, claimant, or “non-investor” creditor (as defined within the Motion) file a claim with Receiver within thirty days from the date on which this Order is filed;
- (5) that upon the expiration of the time to file claims, Receiver shall within an additional thirty days review and object to any claim or claims he deems improper;
- (6) that, in the event Receiver objects to any claim, Receiver shall (a) attempt to resolve each objectionable claim without first involving the Court within the thirty-day period; (b) notify each investor of the basis for any objection; (c) resolve each claim on a consistent and appropriate basis; (d) notify each investor who objects to the treatment of the claim by Receiver to file an objection with the Court; (e) contact the Clerk of Court to schedule a single date and time for hearing on all objections filed with the Court by any investor or non-investor creditor;
- (7) that Receiver’s accountant perform the following duties: (a) to make a limited review of all funds received by Receiver on behalf of the receivership estate from any source; (b) to make a limited review of all distributions of Receiver since his appointment; and (c) to prepare and file a report with the Court of his findings; and
- (8) that any investor, claimant, or non-investor creditor be given the right to object to the relief requested in Receiver’s Motion (Doc. 89) by sending a letter to the Court and Receiver, and should the Court deem such an objection to warrant a hearing, the Court shall schedule a hearing on the same and shall provide adequate notice of this hearing.

Signed: October 5, 2012



Richard L. Voorhees
United States District Judge

